



1999 COTS Annual Report

Table of Contents

Introduction	I
Executive Summary	II
Statewide Conferences	III
Customer Summit	
III A	
Secretary Upson's Invitation to Heads of State Agencies and Institutions on Building a Technology Partnership	
COVITS '99	
III B	

Agenda

Sponsorship

Exhibitors

Speakers

Press Releases:

"Commonwealth of Virginia To Hold Information
Technology Symposium" - Media Advisory

"Secretary of Technology Donald Upson
Announces Conferences on the Future of Electronic
Government in Virginia" - Press Release

Governor's Technology Award News Release -

"First Governor's Technology Awards
Presented to University of Virginia, Fairfax County,
and Department of Motor Vehicles" - October 1, 1999

Responsibilities of the COTS

Biography of Donald W. Upson, Secretary of Technology

Biography of Sheri Anderson, Senior Vice President
and Chief Information Officer, Novell, Inc.

Biography of Vinton G. Cerf, Sr. Vice President

for Internet Architecture and Technology, MCI WorldCom

Biography of Mark A. Forman, Principal, Consulting
Services, e-business Solutions for Government

Salutations

Seat Management.....IV

Workgroup Final Report - "Seat Management
for the Commonwealth of Virginia," September 15, 1999

News Articles -

Civic.com, "Virginia Adopts Seat Management
Strategy," October 4, 1999

The Virginian-Pilot, "State Recommended to
Let Private Firms Manage PCs For Cost Savings,"
September 29, 1999

Washington Technology, "Virginia to Launch
Groundbreaking Outsourcing Plan," September 13, 1999

Digital Signatures.....V

Press Release:

"Virginia Adopts Strategy to Deploy Digital
Signatures Statewide," November 1, 1999

Workgroup Final Report - "Toward the Use of Digital
Signatures in the Commonwealth of Virginia,"
October 27, 1999

News Articles:

Civic.com, "Virginia Moves Toward Digital
Signatures For Government Business," November 2, 1999

Government Technology, "Virginia Adopts Digital
Signature Strategy," November 2, 1999

[IT Compensation and Classification Plan](#).....VI

Memorandum from Sara Wilson to Agency Heads,
Human Resource Directors, and Information Technology
Directors with Attachments

[Enterprise Architecture](#).....VII

[COTS Information Exchange \("IX"\) Website](#).....
VIII

[Conclusion/Looking Ahead](#)IX



I.Introduction

Governor Gilmore established the Council on Technology Services ("COTS") in August 1998 with the charge of developing a blueprint for state government information technology planning and decision-making. The 24-member Council is chaired by the Secretary of Technology and draws its membership from state agencies, institutions of higher education and local governments. The Council derives its strength and effectiveness from two principal factors: the diversity of the organizations represented and the balance between technology and business perspectives. Most importantly, COTS is a stakeholder-driven body organized to advise the Secretary of Technology and to ensure that the needs of the Commonwealth's information technology community are being met.

The Council meets monthly and, on a quarterly basis, holds meetings outside of the Richmond area. During 1999, COTS members hosted meetings in Charlottesville and Virginia Beach, and there was also a meeting in Lexington in conjunction with the Commonwealth of Virginia Information Technology Symposium (COVITS '99).

COTS has created the following workgroups to review issues of enterprise-wide interest and make recommendations to the Council: Gainsharing Partnerships, IT Classification and Compensation, Organizational, Privacy, Security and Access, Seat Management, Procurement, State and Local Application and Network Integration, Telecommunications and Voice over IP. The workgroups are composed of COTS members and interested parties, and they regularly consult with subject matter experts, from state, local, federal and industry sources, during the course of their deliberations.

II.Executive Summary

Calendar year 1999 was a productive year for the Council, including the hosting of two statewide events and conducting three comprehensive studies in areas that will advance Virginia's e-government initiatives.

COTS served as one of the hosts for the Secretary of Technology's 1999 Customer Summit on February 28. This well-attended event was organized to invite feedback from customers of those agencies in the Technology Secretariat. Many of the comments received were used as the basis for writing the strategic plans of the Departments of Information Technology and Technology Planning.

COTS also was one of the leading sponsors of the Commonwealth of Virginia Information Technology Symposium (COVITS '99), the first-annual statewide IT conference at which the 1999 Governor's Technology Awards were presented. COVITS '99 attracted over 400 attendees from state agencies, higher education, federal and local governments and members of Virginia's technology community. The theme of this year's conference was "Electronic Government", and the presentations and workshops were geared towards assisting participants with utilizing technology to improve customer service and generate efficiencies.

COTS established a Workgroup in November of 1998 to review the issue of "seat management", which includes leasing PCs, related equipment and maintenance and service functions so that they can be "refreshed" at regular intervals to keep pace with technological advances and so that in-house MIS staff can be dedicated to more mission-critical duties. The Workgroup issued its findings and recommendations, many of which were based on the results of a pilot conducted by VDOT/VRS during the Spring and Summer, in September. The private sector and many federal agencies have implemented seat management plans, with demonstrated cost savings. The Commonwealth will have a statewide seat management contract in place by Summer 2000, and it will be the first of its kind in the nation.

[Executive Order 51\(99\)](#) tasked the Secretary of Technology with developing a plan by November 1 to facilitate the use and authentication of electronic signatures by both the public and private sectors in the Commonwealth. Secretary Upson charged the COTS Privacy, Security and Access Workgroup with devising a blueprint for deploying and utilizing digital signatures on a statewide basis. The Workgroup issued its final report in October. The initial step, which started in December, will involve ten candidate organizations (including five agencies, one university and four localities) participating in a first-wave

demonstration effort.

At its first meeting in August of 1998, the Council was confronted with the Commonwealth's bleak record of retaining and hiring qualified IT employees in light of aggressive recruiting efforts from the private sector. In order to meet this challenge, COTS formed an IT Compensation and Classification Workgroup to work with the Department of Personnel and Training to develop a solution to this problem. The Workgroup, composed of both Human Resources and IT representatives, presented a revamped classification plan for IT workers and a series of creative retention and recruiting incentive options for IT workers to the Secretaries of Administration and Technology in July. These measures were approved and are in the process of being implemented.

As illustrated by the selected achievements listed above, the Council has demonstrated an ability to surely and swiftly address issues of enterprise-wide importance. The Council's early accomplishments have been largely attributable to the consensus-driven manner in which its proceedings have been conducted. The Workgroups have adopted a successful model that places a premium on drawing on the knowledge of subject matter experts (from both the public and private sectors) and carefully deliberating on these complex matters. As a result, COTS has been able to implement comprehensive solutions that enjoy the support of all affected parties.

III.Statewide Conferences

A. Customer Summit

The Technology Secretariat, with the assistance of COTS, held its first-ever Customer Summit on February 28, 1999. Comment forms were sent to those agencies unable to send a representative so that all interested parties could provide input. The agenda for this all-day session focused on the five primary planning and service delivery areas that constitute the Secretary's charter.

- [Don's invitation memo to agency heads](#) (24 KB; .doc)

B. COVITS '99

After a banner first year, COVITS has deservedly earned the reputation as the Commonwealth's focal technology event bringing together government IT managers and industry professionals. The conference's exhibitors showcased their products and services, giving the attendees an opportunity to learn about recent advances in technology, examine innovative hardware and software and discuss new business opportunities and partnerships. COVITS also served as a forum for agency, higher education and locality IT employees to exchange experiences and discuss common technology issues.

The two-day conference featured presentations by national speakers, technology demonstrations and hands-on workshops at which best practices were disseminated and discussed.

- [Agenda](#)
- [List of sponsors](#)
- [List of exhibitors](#)
- [List of speakers](#)
- [News release - conferences](#)
- [Governor's Technology Award Press Release](#)
- [Responsibility of the COTS](#)

Biographies:

- Donald W. Upson, Secretary of Technology
- Sheri Anderson, Senior Vice President and Chief Information Officer, Novell, Inc.
- Vincent G. Cerf, Senior Vice President for Internet Architecture and Technology, MCI WorldCom
- Mark A. Forman, Principal, Consulting Services, e-business Solutions for Government

Salutations

IV. Seat Management

The Council established its Seat Management Workgroup in November 1998 to discuss alternatives to state and local government purchase of PC desktop technology. Under the terms of this creative procurement model, the customer pays a fee per "seat" or all of the equipment at a user's desk. By turning the desktop PC into a sort of utility, seat management includes services that stretch beyond the realm of any leasing program. In this era of rapid changes in technology and ever-growing interoperability issues, seat management becomes an attractive alternative to conventional purchasing or leasing schemes. Seat management is a form of performance-based contracting, which means the customer pays a fixed fee, and the vendor must meet prescribed service levels to earn that fee.

Seat management is a proven concept on the federal level and in the private sector, although Virginia would be the national pacesetter in establishing a state government enterprise-wide contract. Much of the groundwork for this effort has resulted from the "lessons-learned" out of the joint VDOT/VRS pilot project conducted earlier in the year. Other organizations who have experience in this arena, and from whom the study group heard presentations, include The General Services Administration, NASA and the University of Virginia. Without exception, these organizations have all reported improved service delivery and projected cost savings.

Seat management will afford participants with a number of benefits, including:

- Placing technology refreshment on a schedule, thus eliminating the now-standard "peaks and valleys" in the PC procurement and services budget,
- Reducing agencies' expense in the storage, sale or disposal of surplus equipment,
- Providing a means to quickly standardize a large number of systems without major up-front funding,
- Promoting accurate asset management, and
- Providing a single source of accountability for all PC desktop hardware and services.

The Commonwealth has issued a RFP and plans to have a contract, available to state agencies, institutions of higher education and local governments, in place by Summer 2000.

- [Final Report](#) (300 KB; .pdf)
- Internet News Articles
 - [Virginia adopts seat management strategy](#) -- civic.com, Oct. 4, 1999
 - [State recommended to let private firms manage PCs for cost savings](#) -- Archived, available for a fee. PilotOnline, Sept. 29, 1999
 - [Virginia to launch groundbreaking outsourcing plan](#) -- Washington Technology, Sept. 13, 1999

V. Digital Signatures

As the volume of information and transactions being transmitted over the Internet continues to increase at an almost exponential rate, there is a greater need for additional, and more robust, security measures. Examples include the multitude of standardized forms used by state government, with an emphasis on invoices and other financial transactions. These measures ensure that the identities of the corresponding parties are verified and that the contents of e-business transactions have not

been altered or intercepted. Digital signatures, through the use of a public key infrastructure ("PKI"), are designed to solve the problem of trustworthiness using a Certification Authority ("CA") to provide authentication by acting as a "trusted third party."

Executive Order 51(99) tasked the Secretary of Technology with developing a plan by November 1 to facilitate the use and authentication of electronic signatures by both the public and private sectors in the Commonwealth. As a result of this charge, the Council, under the Secretary's leadership and direction, has embarked on a Digital Signatures Initiative ("DSI") to accomplish this goal.

Beginning in January, ten organizations (including agencies, institutions of higher education and localities) will commence a first-wave demonstration effort. This effort will be directed by a two-tier structure: a technical advisory committee that will assist with the coordination of day-to-day management issues and an oversight committee that will give policy direction.

These pilots will conclude in September 2000. The next step is then to thoroughly dissect agencies' experiences in order to identify "lessons-learned" so that the Commonwealth can proceed with enterprise-wide utilization of this technology in calendar year 2001. Given the Commonwealth's status as the "Internet Capitol of the World", we are in a position to exercise national leadership by establishing model digital signature policies and programs. Other states are utilizing this technology in a piecemeal manner, but none of our peers have yet to implement a statewide solution.

Because of the diversity in size and mission of the participating organizations, a wide-range of specific applications will be subjected to the exacting scrutiny demanded during this pilot phase. The candidate applications fall into three broad categories: agency-to-agency transactions, agency-to-business partner transactions and agency-to-client transactions.

- [Press Release](#)
- [Final Report](#) (142 KB; .pdf)
- Internet News Articles
 - [Virginia moves toward digital signatures for government business](#) -- civic.com, Nov. 2, 1999
 - [Virginia adopts digital signature strategy](#) -- Government Technology, Nov. 2, 1999

VI. IT Compensation and Classification Plan

Like many of our counterparts in other states and in other levels of government, not to mention the private sector, the Commonwealth is experiencing increasing difficulty in both retaining and recruiting qualified information technology personnel. This problem is evidenced by the extra-ordinary steps that had to be taken to ensure that the necessary staff was available to successfully conduct Y2K remediation. The consensus in the industry, echoed by Gartner Group and other tracking organizations, is that this dilemma is likely to get worse, and not improve as some expect, due to major IT projects put on hold pending the completion of Y2K work.

Recognizing the aforementioned situation as a mission-critical need, the Council identified this IT staffing crisis as one of the first issues that it needed to address. Secretary Upson assembled a task force, comprised of both human resources and IT managers, and charged it to work with the Department of Personnel and Training to tackle this issue.

At the outset, the group had to confront the question of whether this particular class of employees, IT workers, merited specific, targeted treatment. The HR and IT managers quickly reached the consensus that the loss of the specific skill sets possessed by these employees, if it continued into the foreseeable future at its current rate, would quickly constitute a threat to the Commonwealth's strategic interests. The analogy was made to the targeted steps that were taken in the 1980s to address MCV's chronic problem of retaining and

recruiting qualified nursing staff.

The committee, chaired by VCU's HR Director, used VCU's innovative IT compensation pilot as the starting point for its discussions. The resulting solution was a compromise between the traditional job-based classification system for state jobs and the person-based pilot program at VCU. Under this new system, employees are assigned to levels primarily according to their demonstrated ability to perform the prescribed duties, rather than on the percentage of their time spent on those duties - this is a significant departure from the current, rigid job classification system.

This new approach gives agencies more salary flexibility for retaining and recruiting qualified IT personnel, and its simplicity allows IT managers to decide when to move employees from one level to the next, based on their actual duties and abilities as compared to the descriptions of the levels. Another advantage of the new system is that it updates the currently outmoded class series titles so that they will now accurately reflect recent changes in IT titles brought on by advances in the marketplace.

In addition to the new classification system for IT workers, the committee also devised a series of incentive options, at either no- or low-cost, which would be additional tools at agencies' disposal as they seek to retain and recruit qualified IT personnel. These options involve a range of both new policies and modifications to existing ones.

- [Memo from Sara Wilson](#) to Agency Heads, HR Directors and IT Directors

VII.Enterprise Architecture

As with its other initiatives, the Council empanelled a workgroup, seeking a consensus amongst the stakeholders, to develop an Enterprise Architecture ("EA"), which is a strategic effort to define the blueprints and processes that will enable state government to rapidly implement high-value, business-driven information technology solutions.

EA does not start with technology, but rather it starts with a strategic framework: the principles, vision and goals of Virginia state government. Just as a building must be designed to suit its function and its site, information technology must do more than simply address specific operational concerns.

As EA development begins, the goal is not simply to deliver an EA that meets present needs, but to ensure that it is flexible and allows for continual integration and synchronization of those technologies that best serve Virginia's interests and meet her citizens' needs. In short, a Commonwealth EA must be highly adaptive, providing continuous alignment between the business of state government and technology.

VIII.COTS Information Exchange ("IX") Website

In another example of the Council's stakeholder-driven approach, the Gainsharing Partnerships Workgroup, chaired by Chesterfield's CIO, Rick Parks, worked with LGov.org to develop the COTS Information Exchange Website. LGov.org is a not-for-profit corporation dedicated to improving the effectiveness of local government information technology services through the establishment of an active, mutually-supportive

Internet community of local government IT professionals. The site's purpose is to serve as a forum where state and local officials can exchange information of mutual interest (Contracts, RFPs, Best Practices, Policies and Procedures, Studies, Reports, etc.).

The Council owes much of its success to the fact that it brings together all of the constituencies, agencies, institutions of higher education and localities, which fall under the Commonwealth's "government" umbrella; these are groups which, for the most part, had limited and sporadic contact with one another in the past. One of the advantages of bringing everyone together around the same table is that the members can exchange best practice and learn from one another's mistakes. One of the common themes heard in COTS discussions is "we don't want to re-invent the wheel." For these reasons and others, the COTS IX Website serves a very valuable purpose.

IX. Conclusion / Looking ahead

As COTS advances into the New Year, the members cannot be content to rest on the laurels of their notable 1999 accomplishments. The calendar has not yet changed to January, and already the Council has a growing list of commitments for 2000.

On January 10, the Council held an all-day session on Enterprise Architecture. This session, dedicated to identifying the business strategies (i.e., the business of the Commonwealth) that will drive the Commonwealth's EA initiative, was just the first of many milestones in this effort. These business strategies will be developed using the Governor's strategic plan.

Executive Order 51, paragraph A, tasks agencies and institutions with developing plans, for web-enabling their operations, to submit to the Department of Technology Planning no later than June 1, 2000. Responding to requests for assistance, COTS held a workshop in February 2000 to provide guidance on how these plans should be structured and on what types of information they should include.

Following up on the success of last year's first-ever "Customer Summit" for the Technology Secretariat, Secretary Upson, with the assistance of COTS, the Department of Information Technology and the Department of Technology Planning, will host the 2000 "Customer Summit" in May.

Likewise, the Council will conduct the Commonwealth of Virginia Information Technology Symposium (COVITS 2000) on September 27-28 in Lexington on the grounds of the Virginia Military Institute. The 1999 conference theme of "electronic government" really served to heighten the awareness of web-enabling operations and has served as a vital springboard to assist agencies and institutions with implementing Executive Order 51. COVITS 2000 will focus on data security and other related critical issues that the Commonwealth will face as the Internet becomes an increasingly important means of communication and service delivery.

The Council celebrated its one-year anniversary during 1999 (August). Like most organizations, it had to experience maturation during a formative phase, but COTS is now at a point where it is a viable, thriving organization. This success is due in part to the commitment shown by the members, but it is largely due to the support and leadership that both Governor Gilmore and Secretary Upson have exhibited in the technology arena.